REMARKS

The Applicants note with appreciation the withdrawal of the rejection of Claims 1-13 under 35 U.S.C. §112, second paragraph. The Applicants further note with appreciation the withdrawal of the rejection of Claims 1-13 as anticipated under 35 U.S.C. §102(b) by Nakashima, and the withdrawal of the rejection of Claim 4 under 35 U.S.C. §103(a) as unpatentable over Nakashima.

The Applicants also note with appreciation the Examiner's interview of April 20, 2004. In light of the helpful discussions with the Examiner, the Applicants submit herewith the Declaration of Mr. Takafumi Hashimoto, a named inventor in the current Application, indicating that one of ordinary skill in the art would not have added an additional 10wt% polycarbonate diol to the material described in Akasawa and expected to obtain the Applicants' suede-like sheet. In fact, the Declaration notes that one skilled in the art would believe that the additional 10% would be detrimental to the material described by Akasawa.

Claim Rejections Under 35 U.S.C. §103(a)

Claims 1-3 and 6-13 remain rejected under 35 U.S.C. §103(a) as unpatenable over Nakashima. Claims 1-4, 6 and 8 remain rejected under 35 U.S.C. §103(a) as unpatenable over Akasawa. The Applicants respectfully submit that in light of the Declaration submitted herewith, and in further view of the comments below, the rejection of these Claims is now obviated.

The Applicants respectfully submit that a determination of obviousness, as determined in Graham v. John Deere, 383 U.S. 1, 148 U.S.P.Q. 459 (1966), requires an inquiry into 1) the scope and content of the prior art, 2) the level of ordinary skill in the art, and 3) the differences

between the prior art and the claimed invention. Of these three, the scope and content of the prior art are the initial step in a determination of obviousness. *Pentec, Inc. et al v. Graphic Controls Corp.*, 776 F.2d 309, 227 U.S.P.Q. 766 (CAFC 1985).

The Applicants respectfully submit that Akasawa does not teach or suggest the Applicants' limitation as recited in Claim 1. Specifically, Akasawa does not teach or suggest a suede-like sheet comprising polyurethane which comprises polymer diol containing 50-90% polycarbonate diol. The paragraph bridging pages 3 and 4 of the Official Action states that the abstract of Akasawa recites "the ratio of said second polyurethane (b) to said first polyurethane (a) being in a range of 0.5 to 50% by weight." The Applicants respectfully submit, however, that as seen in the Table on page 13 of the Applicants' response submitted October 31, 2003, it was indicated that Akasawa teaches an amount of polycarbonate diol in the first polyurethane (a) that is 40wt%. In addition, the polyurethane of Akasawa further comprises 0.5 to 50wt% of the second polyurethane (b), which does not comprise polycarbonate diol.

The Applicants submit herewith a summary of Table 1 of Akasawa, which describes the weight percentage of polycarbonate diol in the first polyurethane (a) in Examples 1-9. The Applicants respectfully submit that Table 1 shows that the total wt% of the polymer diol in the first polyurethane (a) is the combination of the weight of diol (A) plus the weight of diol (B) of Table 1 and that only the PHC of Table 1 is a polycarbonate diol.

	Wt. C	f diol i	n Table	1			!
Ex.1	(A)	(B)			Total wt. of diol: ①	Wt. of PHC: 2	D/2+100
	11.9	620	580	600	1811.9	620	34.2
Comp. Ex. 1	-	690	644	666	2000	690	34.2
Ex. 2	11.9	350	550		911,9	350	38.4

				34		,
Comp. Ex. 2	11.9	350	550	911.9	350	38.4
Ex. 3	26.1	600	1100	1726.1	600	34.8
Comp. Ex. 4	26.1	600	1100	1726,1	600	34.8
Ex. 4	200	300	600	1100	300	27.3
Comp. Ex. 6	_	333	667	1000	333	33.3
Comp. Ex. 8	200	300	600	1100	300	27.3
Ex. 5	100	600	1300	2000	600	30.0
Comp. Ex. 9	100	600	1300	2000	600	30.0
Ex. 6	200	800	1000	2000	800	340.0

The Applicants respectfully submit that the abstract of Akasawa states that 'a first polyurethane (a) obtained by reacting: an intermediate product diol (D) obtaining by reacting ... diol (a), a diol (B) ... selected from the group consisting of ... polycarbonates ... and an organic diisocyanate (C1) ... a low molecular weight diol (E), and diphenylmethane - 4, 4' - diisocyanate (C2)." The Applicants respectfully submit that the polyurethane disclosed in Akasawa contains polycarbonate diol in an amount well below 40wt% of total diol components.

The Office Action dated January 29, 2004, page 3 acknowledges that "Nakashima is silent as to the percentage of polycarbonate diol." In light of the comments set forth above, and the Declaration contained herein, the Applicants respectfully submit that Nakashima clearly fails to teach or suggest a suede-like sheet having 50 wt% to 90 wt% polycarbonate diol. Although Nakashima discloses a polyurethane containing a polymer diol selected from polyester diols, polyether diols, polyester-ether diols, polylactone diols and polycarbonate diols, it does not teach or suggest the inclusion of any percentage of polycarbonate diol, let alone the claimed 50 to 90 wt% polycarbonate diol, into a suede-like sheet. The Applicants respectfully submit that 35 U.S.C. §103 does not apply inasmuch as there are no teachings or suggestions in Nakashima as to the claimed range of 50 to 90 wt% of polycarbonate diol.

The Applicants respectfully submit that a prima facie case of obviousness has not been established. The Applicants respectfully submit that in order to establish prima facie obviousness, all of the claimed limitations must be taught or suggested by the prior art. In re Royka, 180 USPQ 580 (CCPA 1974). In particular, the case of In re Wilson, 165 USPQ 494, 496 (CCPA 1970), states that "all words in a claim must be considered in judging the patentability of that claim against the prior art."

Further, the Applicants respectfully submit that neither Akasawa nor Nakashima provide any motivation to increase the level of polycarbonate diol to 50-90wt%. The Applicants respectfully submit that Akasawa and Nakashima fail to teach or suggest, in any way, the Applicants' suede-like sheet. The mere fact that prior art can be modified does not make the modification obvious unless the prior art suggests the desirability of the modification. It does not. The Applicants respectfully submit that both Akasawa and Nakashima fail to suggest the desirability of increasing the level of polycarbonate diol to 50-90wt%.

We invite the Examiner's attention to In re Gordon et al, 221 U.S.P.Q. 1125, 1127 (Fed. Cir. 1984), wherein the Court of Appeals for the Federal Circuit made it clear that a prior art reference must be given a fair reading and that the reference must provide motivation to one of ordinary skill in the art to employ the apparatus of the prior art in the manner performed by the applicant. The Court specifically stated:

The mere fact that the prior art could be so modified would not have made the modification obvious unless the prior art suggested the desirability of the modification.

The Court of Appeals of the Federal Circuit confirmed this position in *In re Mills*, 16 U.S.P.Q. 2d 1430, 1432 (Fed. Cir. 1990). Both *Gordon* and *Mills* apply in this case, wherein Akasawa and

Nakashima fail to suggest the desirability of making the hypothetical suede-like sheet having 5090wt% polycarbonate diol, or that any benefit would or could realized upon doing so. In fact, and as pointed out in the accompanying Declaration, one of skill in the art would be lead to believe that the addition of polycarbonate diol (beyond 40wt %) would be detrimental to the sheets described in the prior art. The Applicants respectfully request withdrawal of the rejection of Claims 1-3 and 6-13 under 35 U.S.C. §103(a) as unpatenable over Nakashima. The Applicants also respectfully request the withdrawal of the rejection of Claims 1-4, 6 and 8 under 35 U.S.C. §103(a) as unpatenable over Akasawa.

In view of the foregoing, the Applicants respectfully submit the Application is now in condition for allowance, which is respectfully requested.

Respectfully submitted,

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